

SUMMARY OF CONTRACT REQUEST TO THE HEALTH COMMISSION

Contractor	<u>Nextgate Solutions, Inc.</u>	Division/Section	<u>SFDPH, Information Technology</u>
Address	<u>181 W. Huntington Drive, Suite 108</u>	Deputy Director	<u>Bill Kim</u>
	<u>Monrovia, CA 91016</u>	DPH Administrator	<u>Winona Mindolovich</u> <i>winona mindolovich</i>
Contact	<u>Julie Fisher</u>	Program Administrator	<u>Jim Genevro</u> Phone <u>628-206-6507</u>
	<u>Senior Sales Account Executive</u>	Contract Analyst	<u>Joanna Li</u> Phone <u>415-554-2818</u>

Request for approval of a new perpetual software license agreement and accompanying software maintenance agreement with Nextgate Solutions, Inc. for the MatchMetrix® Application for use in the Enterprise Master Patient Index (eMPI) project in support of the Electronic Health Record Project of the Department of Public Health. The software license agreement shall be in the amount of \$1,412,432 and the software maintenance agreement shall be in the amount of \$2,384,887 for the period February 1, 2018 to January 31, 2023 (60 months).

Profit
 Non-Profit
 LBE
 RFP – Number: 28-2017 Date: 8/2017
 New
 Renewal
 Mod
 Sole Source - Approval Date: _____

Number of years DPH has been doing business with this organization: 0

<u>CONTRACT INFORMATION:</u>	<u>Prior Transaction</u>	<u>Proposed Transaction</u>	<u>Annualized Difference*</u>
	(new)	2/1/2018-1/31/2023	
Funding Sources (Software License):			
General Fund		\$1,261,100	\$1,261,100
TOTAL DPH REVENUES		\$1,261,100	\$1,261,100
12% Contingency Amount		\$151,332	\$151,332
CONTRACT TOTAL		\$1,412,432	\$1,412,432
Funding Sources (Software Maintenance):			
General Fund		\$2,129,364	\$2,129,364
TOTAL DPH REVENUES		\$2,129,364	\$2,129,364
12% Contingency Amount		\$255,523	\$255,523
CONTRACT TOTAL		\$2,384,887	\$2,384,887
ANNUAL AMOUNT OF CONTRACT <i>(Estimate; License)</i>		\$282,487	\$282,487
ANNUAL AMOUNT OF CONTRACT <i>(Estimate; maintenance)</i>		\$476,978	\$476,978
Agency Funds		-\$0-	-\$0-
Contract FTE		N/A	N/A

PROPOSED:

Continued on Page 2

PROPOSED: (continued)

Mode(s) of Service & Unit of Service Definition	No. Of Clients	No. of Units	Unit Cost
	N/A Duplicated N/A Unduplicated		
1 UOS = 1 Listed Deliverable Deliverables are a completed task, one-time fee or annual service charge.			
Software License			
Application Software (perpetual license; unlimited)	N/A	1	\$1,108,317
Implementation (Deliverable based)			
Phase 1 Groundwork	N/A	1	\$101,640
Phase 2 Data Analysis	N/A	1	\$101,640
Phase 3 Passive Mode	N/A	1	\$58,080
Phase 4 Active Integration	N/A	1	\$29,040
Software Maintenance			
Annual maintenance charge including system hosting (Five year average)	N/A	5	\$321,733 / yr.
Optional Items (\$500,000 allocated per each contract for the following items. Optional items are not required to achieve full system functionality and only available if funding and a need exists.)			
As-Needed support & customizations (License & Maintenance Agreements)			
Solution Architect	N/A	Actual	\$220/ hr.
HIM Consulting	N/A	Actual	\$220/ hr.
XDS Document Registry/Repository (License Agreement)	N/A	1	\$300,000
XDS Document Registry/Repository; Hosting Fee (per month estimate; Maintenance Agreement)	N/A	Actual	\$21,396
Enhanced Uptime 99.90% (per year; Maintenance Agreement)	N/A	Actual	\$154,120
Loqate Address Verification (per year; Maintenance Agreement)	N/A	Actual	\$25,000
Loqate Address Verification Implementation Fee (Maintenance Agreement)	N/A	1	\$12,000
Third Party Integrations (per data feed; Maintenance Agreement)	N/A	3	\$12,000
Third Party Interface Palm Vein Scanner (Maintenance Agreement)	N/A	1	\$15,000
Additional Data source (per data source Maintenance Agreement)	N/A	1	\$8,000
Estimated Travel and Expenses (Budgeted amount; Billed Actual 50/50 allocation between both contracts)	N/A	Actual	\$41,400

Explanation of Service Change and Variances:

This is a new contract.

Monitoring Report/Program Review & Follow-up:

The contract services will be monitored by the Department as required. The SFDPH Program Administrator will be responsible for assisting and tracking all information related to the accomplishment of the project.

Nondiscrimination and Cultural Competency:

The Department will work closely with the contractor to ensure that their cultural competency plan is current and in compliance with Departmental procedures.

Other Significant Issues:

As part of the Department of Public Health Electronic Health Record project, the MatchMetrix® Application product will be used by the Department to link patient and provider identifiers across multiple agency data sources including the current and future EHRs (eCW, AVATAR (Netsmart), INVISION (Cerner), Jail Information Management and EPIC) The NextGate eMPI uses probabilistic and other algorithms to solve the problem of comparing and matching patient records. It also creates a Single Best Record of patient demographic information that the entire enterprise can access, improving data quality, accuracy, and data exchange.

NextGate Solutions, Inc. is a S Corp. incorporated in California, is not publicly traded and is fully funded by their directors. The NexGate eMPI manages over 250 million unique patient records in the U.S. alone and has received the No.1 ranking from KLAS. NextGate has been in business since August 2005 and has an international presence in regions outside of the U.S. such as Europe and Australia.

NextGate Solutions, Inc. was selected as a result of RFP 28-2017.

Listing of Board of Directors, Owners of 10% or More of the Firm, and Executive Director

- Andy Aroditis, Chief Executive Officer: 32.80%
- Edward Yang Chief Operating Officers: 32.80%
- Dan Cidon Chief Technology Officer: 32.80%

The three executive directors serve as the board members and serve a term of one year. Each own more than 10% of the firm. There are no vacancies and there are no term limits.

Recommendations:

The Department recommends approval of this contract.